

REPORT OF THE COMMITTEE ON BUDGET

Voting Members:

Joey Manahan, Chair; Brandon J.C. Elefante, Vice-Chair;
Ron Menor, Kymberly Marcos Pine, Tommy Waters

Committee Meeting Held
May 12, 2020

Honorable Ikaika Anderson
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Budget, which considered Bill 27 (2019) entitled:

"A BILL FOR AN ORDINANCE RELATING TO THE HONOLULU AUTHORITY
FOR RAPID TRANSPORTATION OPERATING BUDGET FOR THE FISCAL
YEAR JULY 1, 2020 TO JUNE 30, 2021,"

which passed Second Reading at the April 15, 2020 Council meeting, reports as follows:

The purpose of the bill is to appropriate \$446,853,035 less an interfund transfer of \$437,861,905 for a net total amount of \$8,991,130 for the HART Operating Budget for Fiscal Year July 1, 2020 to June 30, 2021.

Representatives from HART provided testimony on the bill and responded to Councilmembers' questions and concerns.

Your Committee received comments on the bill from one individual.

Your Committee amended the bill based on the Committee Chair's recommendations after discussion and deliberation on proposed amendments.

The proposed CD1 makes the following amendments:

- A. Appropriates \$7,017,820 for the Honolulu Authority for Rapid Transportation Operating Budget for Fiscal Year 2021.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON **JUN 3 2020**

COMMITTEE REPORT NO. **118**

REPORT OF THE COMMITTEE ON BUDGET

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- B. Makes various substantive changes, which are noted in the Amendment List contained within the bill.
- C. Makes various technical and nonsubstantive amendments.

Your Committee on Budget is in accord with the intent and purpose of Bill 27 (2020), as amended herein, and recommends that it pass Third Reading in the form attached hereto, as Bill 27 (2020), CD1. (Ayes: Elefante, Manahan, Menor, Waters – 4; Noes: None; Excused: Pine – 1.)

Respectfully submitted,



Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON JUN 3 2020

COMMITTEE REPORT NO. 118



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL 27 (2020), CD1

A BILL FOR AN ORDINANCE

RELATING TO THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION OPERATING BUDGET FOR THE FISCAL YEAR JULY 1, 2020 TO JUNE 30, 2021.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The revenues from the following sources estimated for the fiscal year July 1, 2020 to June 30, 2021 are hereby provided and appropriated for the purposes set forth in Sections 2 through 3:

OPERATING FUNDS

<u>FUND CODE</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>	<u>LESS INTERFUND TRANSFER</u>	<u>NET AMOUNT</u>
GN	General Fund	\$363,000,000	\$363,000,000	\$0
TR	Transit Fund	79,693,605	72,675,785	7,017,820
TOTAL		\$442,693,605	\$435,675,785	\$7,017,820
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CITY COUNCIL
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ORDINANCE _____

BILL 27 (2020), CD1

A BILL FOR AN ORDINANCE

SECTION 2. The monies described in Section 1 for the fiscal year July 1, 2020 to June 30, 2021 are appropriated as indicated to the following activities in the UTILITIES OR OTHER ENTERPRISES function.

FUNCTIONS, PROGRAMS & ACTIVITIES	NUMBER OF POSITIONS (F.T.E.)	SALARIES	CURRENT EXPENSES	EQUIPMENT	TOTAL ALL FUNDS	SOURCE OF FUNDS
<u>UTILITIES OR OTHER ENTERPRISES</u>						
MASS TRANSIT:						
Honolulu Authority for Rapid Transportation						
Administrative Services	4.00	\$328,912	\$2,526,594	\$127,720	\$2,983,226	\$2,983,226 TR
Budget and Finance	9.00	854,342	126,824	0	981,166	981,166 TR
Civil Rights	0.00	0	0	0	0	0 TR
Consultant Services	0.00	0	0	0	0	0 TR
Core Systems, Integration, & P3 Project Delivery	0.00	0	0	0	0	0 TR
Design and Construction	0.00	0	0	0	0	0 TR
Executive Management	5.30	432,154	189,860	0	622,014	622,014 TR
Government Relations and Public Information	0.00	0	0	0	0	0 TR
HART Board Support	6.00	433,000	216,008	0	649,008	649,008 TR
Planning, Permitting and Right-of-Way	0.00	0	0	0	0	0 TR
Procurement, Contracts and Construction Claims	0.30	24,099	2,069	0	26,168	26,168 TR
Project Controls	0.00	0	0	0	0	0 TR
Quality Assurance	0.00	0	0	0	0	0 TR
System Safety & Security	0.00	0	0	0	0	0 TR
TOTAL UTILITIES OR OTHER ENTERPRISES	24.60	\$2,072,507	\$3,061,355	\$127,720	\$5,261,582	\$5,261,582
UTILITIES OR OTHER ENTERPRISES SOURCE OF FUNDS						
GN General Fund		\$0				
TR Transit Fund		5,261,582				
TOTAL UTILITIES OR OTHER ENTERPRISES		\$5,261,582				



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ORDINANCE _____

BILL 27 (2020), CD1

A BILL FOR AN ORDINANCE

SECTION 3. The monies described in Section 1 for the fiscal year JULY 1, 2020 to JUNE 30, 2021 are appropriated as indicated to the following activities in the MISCELLANEOUS function.

FUNCTIONS, PROGRAMS & ACTIVITIES	NUMBER OF POSITIONS (F.T.E.)	SALARIES	CURRENT EXPENSES	EQUIPMENT	TOTAL ALL FUNDS	SOURCE OF FUNDS
MISCELLANEOUS						
RETIREMENT AND PENSION CONTRIBUTIONS:						
Retirement System Contributions – Employer's Share for HART	0.00	\$0	\$691,591	\$0	\$691,591	\$691,591 TR
FICA Tax – Employer's Share for HART	0.00	0	240,490	0	240,490	240,490 TR
Hawaii Employer-Union Health Benefits Trust Fund for HART	0.00	0	548,239	0	548,239	548,239 TR
OTHER MISCELLANEOUS:						
Workers' Compensation for HART	0.00	0	83,935	0	83,935	83,935 TR
Unemployment Compensation for HART	0.00	0	316	0	316	316 TR
Provision for Other Post-Employment Benefits for HART	0.00	0	191,667	0	191,667	191,667 TR
TRANSFERS TO OTHER FUNDS:						
Transfer to General Fund for Central Administrative Services Expenses	0.00	0	665,571	0	665,571	665,571 TR
Transfer to General Fund for Services Provided to HART	0.00	0	305,350	0	305,350	305,350 TR
Transfer to General Fund for Debt Service	0.00	0	71,704,864	0	71,704,864	71,704,864 TR
Transfer to Transit Fund	0.00	0	363,000,000	0	363,000,000	363,000,000 GN
TOTAL MISCELLANEOUS	0.00	\$0	\$437,432,023	\$0	\$437,432,023	\$437,432,023
MISCELLANEOUS SOURCE OF FUNDS						
GN General Fund		\$363,000,000				
TR Transit Fund		74,432,023				
TOTAL MISCELLANEOUS		\$437,432,023				



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HONOLULU, HAWAII

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A BILL FOR AN ORDINANCE

SECTION 4. The sums appropriated above are totalled as follows:

<u>FUND</u> <u>CODE</u>	<u>GROSS APPROPRIATIONS</u> <u>BY SOURCE OF FUNDS</u>	<u>AGENCY</u>	<u>MISCELLANEOUS</u>	<u>TOTAL</u>
GN	General Fund	\$0	\$363,000,000	\$363,000,000
TR	Transit Fund	5,261,582	74,432,023	79,693,605
	TOTAL	\$5,261,582	\$437,432,023	\$442,693,605

<u>FUNCTION</u>	<u>TOTAL</u>	<u>INTERFUND</u> <u>TRANSFER</u>	<u>NET</u> <u>TOTAL</u>
Utilities or Other Enterprises	\$5,261,582	\$0	\$5,261,582
Miscellaneous	437,432,023	435,675,785	1,756,238
	TOTAL	\$442,693,605	\$7,017,820



A BILL FOR AN ORDINANCE

SECTION 5. General Provisos.

(a) As used in this ordinance:

"Authority" means the Honolulu Authority for Rapid Transportation.

"Council" means the Council of the City and County of Honolulu.

"Government" means the federal government, the State government, the government of any other state, any political subdivision of any state, or any quasi-governmental entity.

"ROH" means the Revised Ordinances of Honolulu 1990, as amended, or any recodification of the Revised Ordinances of Honolulu.

(b) Limited purpose monies. The Authority may receive monies whose use is specified or otherwise limited by the monies' source from: (1) any governmental or quasi-governmental agency; (2) any private source including monetary gifts whose use is specified by the donor; or (3) any combination thereof. When such monies are received, the Authority shall maintain special funds or accounts showing the monies so received and specifying the purposes for which they have been received and held.

All such monies specified in Sections 2 and 3 of this ordinance are appropriated in the amounts and for the purposes set forth, and all expenditures shall be made as provided by law. All other such monies not specified in Sections 2 and 3 of this ordinance and which are limited purpose monies are hereby appropriated and may be expended by the Authority for their permitted limited purposes.

(c) At the close of each quarter, the Authority shall submit to the Council a Statement of Cash Balances by Fund showing for each quarter for each individual fund the cash balance at the start of the accounting period and the cash balance at the end of the period.

(d) No transfer of funds shall be made from any activity unless such transfer complies with the requirements set forth in ROH Section 2-17.2(c).

(e) If any portion of this ordinance or the application thereof to any person or circumstance is held to be invalid for any reason, the Council hereby declares that the remainder of this ordinance and all other provisions thereof shall not be affected thereby. If any portion of a specific appropriation is held to be invalid for any reason, the remaining portion shall be independent of the invalid portion and such remaining portion shall be expended to fulfill the objectives of such appropriation to the extent possible.

(f) Except for the expenditure of limited purpose monies pursuant to subsection (b), no monies shall be expended by the Authority for any purpose from the Transit Fund or Transit Improvement Bond fund, unless such monies are first appropriated by the Council.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL 27 (2020), CD1

A BILL FOR AN ORDINANCE

SECTION 6. The detailed Statement of Revenues and Surplus contained in the Executive Operating Program for the Fiscal Year July 1, 2020 to June 30 2021, as transmitted to the Council in the Executive Program and Budget for the Fiscal Year 2021, Volume 1 (Operating Program and Budget), and as amended in any Executive Operating Program amendments, is hereby incorporated by reference and adopted as an integral part of this ordinance. The detailed Statement of Revenues and Surplus contained therein may be further amended regarding any applicable fund by an amendment to the Executive Operating Budget ordinance, Executive Capital Budget ordinance, Legislative Budget ordinance, Honolulu Authority for Rapid Transportation Operating Budget ordinance, or Honolulu Authority for Rapid Transportation Capital Budget ordinance. In case of any conflict between the substantive provisions of the Executive Operating Program as transmitted and this ordinance or the above budget amendments, the provisions of this ordinance and any of the above budget amendment shall prevail.

SECTION 7. Should monies received from the State of Hawaii for collection of the Honolulu general excise and use tax surcharge exceed the amounts specified hereinbefore in Sections 1 and 3, the excess is hereby appropriated to the general fund and shall be transferred from the general fund to the Transit Fund. Within 14 days of the transfer, the Director of Budget and Fiscal Services shall report to the Council on the excess amount(s) appropriated and transferred to the Transit Fund.

SECTION 8. References to any ROH section in this ordinance include a reference to that section as it may be amended or to any successor section in a recodification of the ROH.

SECTION 9. The amendments to the Honolulu Authority for Rapid Transportation Operating Budget ordinance attached hereto are hereby incorporated by reference and adopted as an integral part of this ordinance.



CITY COUNCIL

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ORDINANCE _____

BILL 27 (2020), CD1

A BILL FOR AN ORDINANCE

SECTION 10. This ordinance takes effect on July 1, 2020.

INTRODUCED BY:

Ikaika Anderson (br)

DATE OF INTRODUCTION

March 2, 2020
Honolulu, Hawaii

APPROVED AS TO FORM AND LEGALITY

Deputy Corporation Counsel

APPROVED this ____ day of _____, 2020

KIRK CALDWELL, Mayor
City and County of Honolulu



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

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BILL 27 (2020), CD1

A BILL FOR AN ORDINANCE

AMENDMENTS TO THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION OPERATING BUDGET
CD1 Amendments = Plain Text

FUNCTION/PROGRAM/
AGENCY/ACTIVITY

AMENDMENT

POS.

AMOUNT

UTILITIES OR OTHER ENTERPRISES

MASS TRANSIT

Honolulu Authority for Rapid Transportation

Administrative Services	Reduce funding for current expenses		(\$357,646) CE TR
Budget and Finance	Reduce funding for current expenses		(\$17,952) CE TR
Executive Management	Reduce funding for current expenses		(\$26,875) CE TR
Government Relations and Public Information	Reduce positions and funding for salaries	(8.1)	(\$782,258) S TR
Government Relations and Public Information	Reduce funding for current expenses		(\$757,709) CE TR
HART Board Support	Reduce funding for current expenses		(\$30,577) CE TR
Procurement, Contracts and Construction Claims	Reduce funding for current expenses		(\$293) CE TR

MISCELLANEOUS

TRANSFERS TO OTHER FUNDS

Transfer to General Fund for Debt Service	Decrease Transfer to General Fund for Debt Service		(\$2,186,120) CE TR
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SECTION 8.

Add a new SECTION 8 to read as follows:

"SECTION 8. References to any ROH section in this ordinance include a reference to that section as it may be amended or to any successor section in a recodification of the ROH."

Renumber existing SECTIONS 8 and 9 as SECTIONS 9 and 10.

- END OF BILL -